



state senator
Mike Young

2006 LEGISLATIVE UPDATE

Indiana Senate
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SENATOR MIKE YOUNG

serving district 35: portions of Johnson, Marion and Morgan counties.

2006 LEGISLATIVE UPDATE



**Property Tax Relief:
\$100 Million in Immediate Aid**

As estimates for this years property tax increases came rolling in at the end of 2005, members of the General Assembly thought property taxpayers could use a break from expected increases. This year, HEA 1001 provides that relief by dedicating \$100 million to subsidize property tax bills.

This move could mean that homeowners will see no increase from their 2005 tax bills. Early estimates suggested hikes as high as 12 percent, but most experts thought increases would be around 5 percent. HEA 1001 will keep any increases reasonable, and may flatline many bills.

“HEA 1001 provides relief by dedicating \$100 million to subsidize property tax bills.”

In addition to providing immediate property tax relief, HEA 1001 sets the stage for a long-term solution to high property tax bills. The new law states that by 2010, property taxes must be capped at 2 percent of assessed value. In order to replace any revenue that could be lost as a result of this move, the General Assembly will have to find a permanent way to replace property tax revenue.

HEA 1001 aids property taxpayers, but is also a pro-business law. The legislation phases in a single sales factor tax by 2011. This means payroll and property factors will no longer be used in figuring corporate taxes. With a single sales factor, businesses will no longer be penalized for owning property or having large payrolls in Indiana.

The out-of-state utility services tax will help Indiana utilities compete with out-of-state companies by subjecting them to the same taxes that Indiana companies pay.

In the end, HEA 1001 is a positive move for Hoosier taxpayers and businesses.

**SENATE DISTRICT 35
SHARES \$14.9 MILLION
FROM MAJOR MOVES**



Now that Major Moves has passed, it is important that people know what benefits they will see.

The money from the lease will be used to complete the long-awaited upgrades to U.S 31 and improvements to I-465.

Additionally, because of the size of the lease payment, \$150 million will be distributed to counties, cities and towns for local projects. The distribution is based on a formula similar to the distribution of gas tax revenues. The counties I represent will receive the following:

- **Johnson — \$2,279,274**
- **Marion — \$11,130,861**
- **Morgan — \$1,491,540**

As you can see, Major Moves will generate a significant amount of money for our area that will improve the quality of life. I look forward to seeing a lot more orange construction barrels on the streets I represent in the coming years.

2006 POST-LEGISLATIVE SURVEY

Please circle only one answer per question. Each question may be answered by one or two voters in your household. If more than two voters live in your household, please contact my office or complete my online survey at www.in.gov/S35.

1. Now that Indiana has switched to Daylight Saving Time, do you believe it will benefit our state economically?

Voter 1: Yes No Undecided

Voter 2: Yes No Undecided

2. Do you agree or disagree with the Governor's proposal to lease Indiana's toll road (known as Major Moves)?

Voter 1: Agree Disagree Undecided

Voter 2: Agree Disagree Undecided

3. Do you favor the Indianapolis Works project proposed by Mayor Bart Peterson that, among other things, would eliminate all township fire departments and create one large metropolitan fire department?

Voter 1: Agree Disagree Undecided

Voter 2: Agree Disagree Undecided

4. The Governor is proposing that we begin full-day kindergarten next year. It's expected to cost property taxpayers \$140 million. Do you approve or disapprove of the Governor's proposal?

Voter 1: Agree Disagree Undecided

Voter 2: Agree Disagree Undecided

5. Do you approve or disapprove of building I-69 if it is allowed to connect to I-465 on the southside of Indianapolis?

Voter 1: Agree Disagree Undecided

Voter 2: Agree Disagree Undecided

6. Do you approve of the General Assembly's action to provide telecommunication deregulation for phone and cable service?

Voter 1: Agree Disagree Undecided

Voter 2: Agree Disagree Undecided

7. Do you think illegal immigration is a problem in Indiana?

Voter 1: Yes No Undecided

Voter 2: Yes No Undecided

8. Do you approve of the job performance of Senator Young?

Voter 1: Yes No Undecided

Voter 2: Yes No Undecided



Senator Young speaking on the Senate floor on the importance of SEA 145.

Senate Enrolled Act 145, which I authored, was written in an effort to prevent repeat offenses of drunken driving of Hoosiers on the road is better protected.

ing. This bill allows for the seizure of a person's vehicle if the driver had at least two prior convictions of driving while intoxicated and commits a violation of law while driving. However, a vehicle may not be seized if it does not rightfully belong to the driver.

It is the hope of the General Assembly that seizing a repeat offender's vehicle will take away the opportunity to cause a serious crash. When a driver is drunk, a vehicle becomes a dangerous weapon. By taking this weapon away from repeat offenders, the chance to drive while intoxicated is minimized and the safety

How I Voted: Important Bills in the Legislature

SEA 145—This bill allows for the seizure of a person's vehicle if the driver had at least two prior convictions of driving while intoxicated and commits a violation of law while driving.
PASSED. My vote: YES



HEA 1001—HEA 1001 provides tax relief by dedicating \$100 million to subsidize property tax bills. In addition, HEA 1001 sets the stage for a long-term solution to high property tax bills. The new law states that by 2010, property taxes must be capped at 2 percent of assessed value.
PASSED. My vote: YES



HEA 1028—This bill aims to protect Hoosiers who are protecting themselves. The legislation allows for the use of deadly force against an intruder who intrudes upon a person's home or vehicle. Current law says that the intruder must have intent to cause death or bodily harm, but I believe that when someone breaks into your private property, you do not have the time to determine their intent.
PASSED. My vote: YES



HEA 1010—This law requires that the reason for eminent domain must be for the public's benefit. The legislation does several things: it places time restrictions on eminent domain so that property owners are not left in limbo for years at a time; it requires just compensation for Hoosier property owners; and it mandates good-faith negotiations between the condemner and the property owner.
PASSED. My vote: YES



SEA 75— This bill establishes a military relief fund for Indiana National Guard members and Indiana armed forces reservists called into active duty after the Sept. 11, 2001 terrorist attacks. It also creates a "Support Our Troops" license plate, which allows Hoosiers to show their support for our hardworking troops and their families. The money collected from the sale of this plate will be deposited into the military relief fund.
PASSED. My vote: YES



"Indy Works" Let the People Decide

Two years ago Mayor Bart Peterson brought to the General Assembly a bold initiative to eliminate all township government. His thought was that this move would bring about efficiencies and effectiveness in government that would bring savings to taxpayers.

Last year I did my part in bringing about consolidation and saving citizens their hard-earned money. I was the author of Senate Bill 307, which allowed the Mayor to merge the Indianapolis Police and Sheriff's department. In addition, the Mayor had oversight of all county and city budgets (this was a first in the state's history), he had authority to combine the financial functions of the Auditor and City Controller's office and had the ability to consolidate the Airport Police and Fire departments with that of the city's.

It is noteworthy that not one member of the Mayor's party voted for this legislation even though the Mayor was seeking this authority.

During the summer I was chairman of the Marion County Consolidation Commission, which delved into the rest of the Mayor's proposal. The Commission worked from August to November to determine what should be the next steps in the realignment of local government.

We heard from experts and interested parties, not only here in Indiana, but across the nation as well. We reviewed all the data that was presented to us and I personally read 30 scientific research papers that were apart of the Mayor's "Indy Works" plan. In addition, the Commission hired two consulting firms: one to look at what has happened to other consolidation plans in the United States, and the other was to look at the Indy Works financial numbers.

The Commission found the following:

- 1) The plan's proposed savings of \$35 million was not accurate. In fact, savings were found to be only \$2 to \$3 million for Police consolidation and only \$1.3 million for merging of the county's fire departments.
- 2) The information provided to us warned that the proposal to alter the township courts would have cost taxpayers money.
- 3) The Mayor's plan stated that combining finance functions of the auditor and con-

troller's offices would save \$900,000, instead it cost taxpayers \$250,000.

Armed with this information, it became clear that structural consolidation (elimination

of township government), as the Mayor wanted, was not feasible. However, the Commission did determine that savings could be realized through functional consolidation (the process of combining common services). Therefore, the Commission recommended, and I introduced, Senate Bill 1 for functional consolidation of the fire services in Marion County.

Unfortunately, I could not forge a compromise with the Mayor on this issue. As a final gesture, S.B. 1 was changed to allow the voters of Marion County, through a referendum, to decide whether or not they wanted to consolidate the fire departments and, if so, what type of consolidation they preferred. The Mayor opposed allowing the people a choice and the bill died when time ran out on the last night of session.

House Bill 1362, which also dealt with consolidation, was passed and signed into law by the Governor. This bill allows local communities to decide how they want to be governed. Through a referendum, the people can decide to combine government if they wish without asking for permission from the state.



Senator Young explains a chart from the report the summer study committee had done on Indy Works at a press conference.

Major Moves: The Jobs Bill of a Generation

For years, Indiana has habitually approved almost any road project that is requested with a promise that it will get done "eventually." This resulted in \$2.8 billion of unfunded road projects across the state. With the passage of Major Moves, House Enrolled Act 1008, the General Assembly ensured the state's 10-year road plan will be funded, the Interstate 69 extension will get started, future generations will have money for roads and thousands of jobs will be created across the state.

The crux of the plan — leasing the Indiana Toll Road to private investors — drew attention, praise and criticism in the 10-week legislative session; but in the end, I believe the benefits of the deal outweighed any negatives that were mentioned.

The lease that was ratified through HEA 1008 was a \$3.8 billion agreement between the state and Statewide Mobility Partners (SMP), a consortium that operates toll roads all over the world. Supported by business leaders and unions alike, the \$3.8 billion lease and the interest it accrues will pay for the state's road projects, creating — according to some estimates — more than 130,000 jobs. An additional \$150 million will also be distributed to counties for local road projects.

In exchange for an up-front payment, SMP will operate and collect tolls from the Indiana Toll Road for 75 years. The consortium has also agreed to make improvements to the road — estimated at \$4.4 billion — and fund 25 additional State Troopers and a new state police post along the Interstate. The lease agreement and HEA 1008 dictate that SMP must meet federal standards on items such as traffic flow and

snow removal. Indiana also listed its own requirements for maintenance issues such as filling pot holes, removing dead animals, and taking care of other hazards.

In addition to the toll road portion of the law, HEA 1008 also addresses another major road: Interstate 69. The previous timeline for extending I-69 from Indianapolis to Evansville, set by former administrations, had construction beginning in 2017. That is simply unworkable. Under HEA 1008, work on the long-awaited interstate could start as soon as 2008 and be completed by 2018. Under the plan, the governor could enter into a Public-Private Partnership (P3) to help build I-69 from Evansville to Martinsville as a toll road. However, tolls from Martinsville to Indianapolis must be approved by the legislature. Additionally, if the administration wants the north end of the road to remain in Perry Township in Indianapolis, the General Assembly must also give approval.

Another important part of the deal is a \$500 million Next Generation Trust Fund. Every five years, the state will take the interest the trust fund accrues and deposit it into the Major Moves construction fund. The initial \$500 million, however, will be protected and not spent.

As Governor Mitch Daniels has said, a top-tier economy requires a top-tier infrastructure. Indiana is striving to have an economy that is the envy of the nation, but we can't do so without a road system that also draws envy. Major Moves completes those goals.

cut along dotted line ✂

Instructions:

Please cut along the dotted line, place survey in an envelope, and attach a 39 cent stamp. You can address the envelope to:

Senator Mike Young
Indiana State Senate
200 W. Washington St.
Indianapolis, IN 46204

You can also complete the survey by visiting www.in.gov/s35

Comments:

If you have additional comments about material in this newsletter or on other topics, feel free to call my office at (800) 382-9467.

Updates:

In order to keep you better informed, please provide me with your e-mail address. I will send you timely updates.

E-mail Address(es):
